

**Service Level Agreement**

**Between**

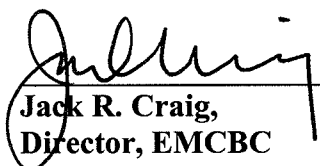
**The Environmental Management Consolidated Business Center (EMCBC)**

**And**

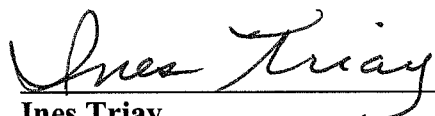
**The Carlsbad Field Office (CBFO)**

**The attached document provides the roles and responsibilities, authorities, and working relationships between the EMCBC and the CBFO. This Service Level Agreement shall remain in effect until such time as the EMCBC Director and the CBFO Manager amend it.**

**Approved:**

  
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**Jack R. Craig,**  
**Director, EMCBC**

4/20/05  
**Date**

  
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**Ines Triay,**  
**Acting Manager, Carlsbad Field Office**

4-20-05  
**Date**

**The Service Agreement  
Between  
Environmental Management Consolidated Business Center  
And  
The Carlsbad Field Office**

**Introduction**

The Assistant Secretary for Environmental Management, Department of Energy (DOE/EM), is responsible for the safe, efficient and effective clean-up, stabilization and remediation of nuclear and hazardous waste materials and contamination resulting from prior activities of DOE and its predecessors. Activities related to this mission are conducted at many locations around the nation and are typically staffed with federal and contractor personnel that possess technical, business, logistic, and administrative expertise.

The Carlsbad Field Office (CBFO) is responsible for the management of DOE/EM TRU Waste Disposal Program activities at the Waste Isolation Pilot Plant (WIPP) and various sites in DOE including related quality assurance, characterization, and transportation activities. As one of several business support improvement initiatives, EM will be providing support to CBFO in several functional areas from a Consolidated Business Center (CBC) located in Cincinnati, Ohio. The EMCBC's mission is to provide centralized business support services to selected EM sites such as CBFO allowing CBFO resources to focus on effectively executing its TRU Waste mission.

Through this support, EM will (i) provide the continuous, stable business support services to the CBFO as defined in this agreement, (ii) achieve economies of scale through standardization and streamlined operations and (iii) permit EM to better utilize its resources for front-line cleanup activities.

**EMCBC Operational Strategy**

Business support services must be available to the CBFO to achieve major project schedule EM milestones. The EMCBC will provide defined business support services to CBFO. Under this model, CBFO will continue to have mission responsibility for its mission, with the EMCBC holding specific business authorities in support of CBFO and providing support in other business services. CBFO can focus their resources on project and technical management, and oversight of CBFO contractors. Attributes of the EMCBC operational strategy include the following:

- Stable business support for a variety of customers with differing project mission requirements and differing business support requirements
- Ability to support multiple customers in different time zones
- Combined use of federal employees and support service contractors (as required) to support customers
- Optimization of FTEs between the EMCBC and its customers

- CBFO site personnel performing functions as defined in this agreement with respect to business services, with support from functional business specialists and necessary support staff for peak workloads and specific tasks residing at EMCBC
- A EMCBC travel budget to support planned and unscheduled customer site visit requirements

The EMCBC will establish itself as an effective liaison between DOE headquarters and CBFO where requested, supporting the needs of both, but always representing the CBFO's interests and serving as the CBFO advocate. Whenever requested, the EMCBC will accomplish headquarters' taskings on behalf of CBFO, especially when it comes to routine documentation or reporting requirements in business areas as agreed between CBFO and the EMCBC. To improve customer support and realize operational cost objectives, the EMCBC will develop standardized functional processes, procedures and policies with the concurrence of CBFO whenever it makes sense.

### **Service Approach**

The creation of the EMCBC will result in a cooperative business support responsibility between the EMCBC and CBFO as defined in this agreement. In general, EMCBC business support functions include:

- Human Resources Management
- Contracting/Procurement
- Financial Management
- Information Resource Management (often referred to as "IT")
- Legal Services
- Logistics Management
- EEO/Diversity
- Technical Services (the "Closure Cadre" primarily)
- Records Management
- Office of Legacy Management (LM) transition

### **Human Resources**

Human Resources (HR) consists of all aspects of personnel management, including: recruiting, staffing, training, classification, and benefits. The activities performed by the EMCBC Office of EEO and Diversity are excluded from this definition. Even though such activities fall within HR in other agencies and in the private sector, a separate office reporting directly to the EMCBC Director performs them. HR support activities for CBFO will be consolidated into the EMCBC. The mission of the HR support within the EMCBC is to provide the complete range of support to CBFO currently assigned to EM headquarters. CBFO will continue to have one FTE in Carlsbad reporting to the CBFO Office of Business as a local human resource specialist to perform liaison with the EMCBC. EMCBC support will be provided by multi-skilled specialists in the following areas: ***Classification, Compensation, Recruitment and Placement, Employee Benefits, Human Resource Development, Performance Management, Employee Relations, Personnel Actions Processing and Official Personnel Folder (OPF) Management.***

EM headquarters currently holds personnel authorities for the CBFO. The duties and authorities currently held at EM will be transitioned to the EMCBC by June 1, 2005.

### **Contracting/Procurement**

The EMCBC has established an Office of Contracting, which will provide contracting/procurement support to the CBFO.

The EMCBC Director will assume Head of Contracting Activity (HCA) authority for the CBFO (this authority is currently held at EM/HQ). The HCA will be the ultimate contracting authority for CBFO and will be responsible to EM and the CBFO Manager for the necessary support of the CBFO contracting activities. The CBFO Manager will be consulted and make recommendations on major contract actions that require HCA involvement. CBFO will retain day-to-day management direction of the existing staffing allocation of three Contracting Officers: a Contracts Manager (EJ-1102-IV), a Senior Contracts Specialist (GS-1102-14), a Contracts Specialist (GS-1102-13); and an Administrative Specialist (GS-301-9) in contracting. These personnel will report to the CBFO Office of Business and perform contracting, purchasing and assistance activities in accordance with CBC policies and procedures and within delegated authorities.

The HCA and the CBFO Manager will develop a specific listing of actions where CBFO will need to consult with or obtain the approval of the HCA in the day-to-day management of the CBFO mission. Specific areas of support to be provided by the CBC to CBFO include, but are not limited to the following:

- Assistance in contract, grant, and cooperative agreement award, administration, modification, termination, and closeout;
- Assistance in entering into agreements committing the Department to the sale of products and other services, including funds-in interagency agreements and other agreements providing reimbursable work for others;
- Assistance in areas of contractor human relations, including review of pension plan changes, support in the area of Work Force Transition;
- Convening Labor Standards Boards and making Labor Standards Determinations;
- Cost/price analysis and audit capability;
- Provide and maintain a FAR/DEAR compliant automated contract writing system;
- Supporting and approving warrant levels for CBFO COs for acquisition, assistance, and sales transactions; developing and maintaining plans, policies, and procedures applicable to the procurement and acquisition support process;
- Managing and maintaining the Procurement Acquisition Data System (PADS) database and input into the performance management system supporting the President's Management Agenda;
- Administering the Minority and Small Disadvantaged Business Programs;

- Documenting Contracting Officer Warrants and Contracting Officers' Representative appointments;
- Managing the Acquisition Career Development Program in accordance with DOE Order 361.1;
- Performing actuarial assessment of contractor pension, medical and other post-retirement benefit programs, contractor employee welfare programs, and contractor training; and
- Providing the Manager of the CBFO with information and recommendations for him/her to consider in making decisions regarding contracts supporting accomplishment of the CBFO mission.

The mission of the EMCBC Office of Contracting is to acquire, manage, and direct the procurement of supplies and services required to support the EMCBC customers and EMCBC staff. The Assistant Director, Contracting will act as a business advisor to the EMCBC Director and the CBFO and ensure a high level of needed support is provided to CBFO by the EMCBC contracting staff. Contracting areas where requested support will be provided to CBFO include: ***Contracting Policies and Procedures Administration, Contract Award and Administration, Contract Closeout, and Contractor Human Resources Management.***

The EMCBC will assume HCA from EM/HQ for the CBFO by March 1, 2005.

### **Financial Management**

EMCBC Financial Management Services is a multiple-function, multiple-site process. A focus of the EMCBC effort is to reduce the cost of financial management and better support EM's objectives by streamlining processes and/or consolidating these activities. The mission of financial management within the EMCBC is to serve as a resource for its DOE/EM customers on financial policy and procedures, financial reporting, the management control program, accounting systems, and audit liaison and follow-up.

The EMCBC will assume the financial allottee function for CBFO currently being performed for CBFO by DOE-EM Savannah River. CBFO will retain day-to-day management direction of the existing financial management staffing allocation consisting of a Planning and Budget Work Coordinator (GS-343-14 Program Analyst), a Budget Analyst (GS-560-13), and a Program Analyst (GS-343-12). These personnel will report to the CBFO Office of Business and perform planning, budget formulation, budget execution, and fund certification in accordance with EM policies and procedures and within delegated authorities. CBFO will continue to interface directly with DOE CFO and EM budget and baseline personnel, the EM Configuration Control Board, make budget submittals, allocate funds to CBFO contractors and grant/agreement recipients, report on the results of operations, perform primary liaison with the Government Accountability Office and the DOE Office of the Inspector General, and do IPABS reporting.

The EMCBC Financial Management Services Group will provide support to the CBFO primarily in the following areas: ***Planning and Budget Team, Financial/Accounting Services Team and Internal Review Team.***

The EMCBC Planning and Budget Team will provide administrative control of funds; and provide support in budget planning activities and budget controls as requested. The P&B Team will also periodically report the status of financial resources, and will develop reports to support internal and external requirements regarding the financial activity and the integrity of fiscal operations.

The EMCBC Financial/Accounting Services Team will function under the auspices of the Energy Finance and Accounting Service Center (EFASC) pursuant to the outcome of the Financial Services Competitive Sourcing Study performance decision announced in January 2004. Pursuant to HQ direction, these employees will be EMCBC employees under the general supervision of the Director, Financial Management Services, but will also take technical guidance from the Director, EFASC.

Specifically, the team will establish and provide advice on financial policies and general procedural requirements for Federal accounting and reporting. Additionally, the team will provide guidance on accounting and consolidated financial reporting, including environmental liability reporting, with emphasis on contributing to the issuance of financial statements that receive an unqualified audit opinion, as well as provide accounting services for CBFO, including payroll services and travel reimbursement. Further, the team will provide key support as requested in analyzing accounting and financial issues, and recommending appropriate resolutions to CBFO.

The EMCBC Internal Review Team will promote the effective, efficient, and economical operation of CBFO programs through analysis and contractor reviews as requested. The EMCBC will provide assistance and support, as requested by CBFO, in the following areas of internal review:

- Liaison activities with internal and external audit/review organizations such as the General Accountability Office (GAO), the Defense Contract Audit Agency (DCAA), and the DOE Office of Inspector General (OIG);
- Provide meaningful financial analysis information and other audit assistance to management (i.e., baseline reviews);
- Provide oversight of contractor financial systems and management control programs through objective financial analysis and management reviews;
- Develop and track financial performance measures;
- Administer the Management Control Program;
- Provide support when CBFO is conducting contractor reviews to ensure appropriate performance measures/metrics are incorporated into contracts;
- Coordinate and provide staff to support the annual Federal Managers' Financial Integrity Act (FMFIA) review;
- Provide support on "Whistleblower" Program;
- Provide support on OIG Hotline Program;

- Provide support to DARTS updating;
- Request external audits; and
- Coordinate and resolve outstanding audit issues

The Allottee Authority for the CBFO currently resides with DOE-EM Savannah River. The EMCBC will assume Allottee Holder responsibilities and authorities for the CBFO by June 1, 2005.

### **Information Resource Management**

The EMCBC Office of IRM is responsible for policy, procedures, orders and implementation guidance for activities related to information systems and for assisting the CBFO in IRM related activities including: telecommunications, radio, telephone, and video conferencing services, unclassified computer security, budget analysis, cyber security, hardware and software maintenance and support, telecommunications support, help desk, training, and systems and work flow support.

CBFO will retain day-to-day management direction of the CBFO IRM program and the existing IRM staffing allocation of an Information Management Specialist – CIO (GS-301-13). The CBFO IRM staff will report to the CBFO Office of Business. The EMCBC Information and Resource Management organization will support the aspects of DOE Information Management as needed and noted above with the CBFO information management staff. The EMCBC Assistant Director for Information and Resource Management will serve as the point of contact for these activities.

### **Logistics Management**

The EMCBC Logistics activity consists of all areas related to the management of property (both real and personal) including receipt, inspection, storage, maintenance/repair, inventory management, disposal, transportation, and/or fleet management. The procurement of personal property is specifically excluded from the EMCBC logistics definition since it is accomplished by the contracting function within DOE. The EMCBC will provide services and support as needed to the CBFO in the areas of personal property, real property, government vehicle fleet management, emergency management, and records management. The EMCBC logistics management teams include the following: ***Personal Property Management, Real Property Management, and Transportation Management.***

The Director, Logistics Management is responsible for assisting as requested in the conduct of required and for-cause physical inventories of personal and real property under the management and control of the CBFO.

The EMCBC will provide requested support services to CBFO related to the movement of personnel and material, the management of the DOE-owned/leased vehicle fleet used to accomplish this (including those DOE-owned/leased vehicles in the physical possession of contractors), emergency management and records management. CBFO will continue to retain responsibility and perform all activities related to the transportation and transportation packages related to hazardous and radioactive waste associated with the CBFO mission.

## **Legal Services**

The EMCBC Legal Services' mission includes providing legal services, representation, and support to the customer sites as necessary. CBFO will retain day-to-day management direction of the CBFO legal program and the existing legal staffing allocation of a Chief Counsel (GS-905-15) and an Attorney Advisor (GS-905-14). These personnel will report to the CBFO Office of the Manager. The EMCBC Legal Services office will provide support as requested in specialty areas outside the expertise of the CBFO staff and in overload situations, as well as providing legal advice as requested by CBFO.

## **EEO/Diversity**

The EMCBC EEO/Diversity organization reports directly to the EMCBC Director. This organization will develop EEO/Diversity policy guidance for CBFO. This office will provide advice to CBFO in the EEO/Diversity area and serve as the ombudsman for the CBFO in EEO/Diversity matters. This office will serve as the CBFO point of contact for processing EEO complaints, provide assistance for the Employee Concerns Program, and provide EEO/Diversity counseling as needed.

The EEO/Diversity responsibilities as defined above will transfer to the EMCBC by June 1, 2005.

## **Technical Services**

The Assistant Director for Technical Services will serve primarily as the supervisor to the EM Cadre staff and report to the EMCBC Director. The EM Cadre staff (25 total individuals) is currently assigned to designated projects throughout EM and is using specific closure knowledge and experience to support the completion of EM mission requirements. Once their work is completed at the currently designated projects they will be redeployed to other EM critical needs. The EMCBC will serve as the home office to these technical resources and will work with EM management at HQ and in the field to assure that they are working in areas that most benefit the EM complex. These staff members may be reassigned to projects for long periods of time or may be deployed for short durations depending on the needs of the project that requires the technical support.

The EMCBC will make these resources available to support CBFO when they become available and as requested where their expertise can be used in completing CBFO's mission. The EMCBC Assistant Director Technical Services will serve as the point of contact for CBFO for potential use of the EM Cadre resources.